

House File 574 - Introduced

HOUSE FILE 574

BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HSB 186)

A BILL FOR

1 An Act expanding the renewable fuel infrastructure program to
2 support the storage and dispensing of E-15 gasoline.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 159A.14, subsection 1, paragraph a,
2 subparagraph (1), Code 2015, is amended to read as follows:

3 (1) Ethanol infrastructure shall be designed and used
4 exclusively to do any of the following:

5 (a) Store and dispense E-15 gasoline. At least for the
6 period beginning on September 16 and ending on May 31 of each
7 year, the ethanol infrastructure must be used to store and
8 dispense E-15 gasoline as a registered fuel recognized by the
9 United States environmental protection agency to power 2001 and
10 newer model year passenger vehicles.

11 {a} (b) Store and dispense E-85 gasoline.

12 {b} (c) Store, blend, and dispense motor fuel from a motor
13 fuel blender pump, ~~as required in this subparagraph division.~~
14 The ethanol infrastructure must ~~provide~~ be used for the storage
15 of ethanol or ethanol blended gasoline, or for blending ethanol
16 with gasoline. The ethanol infrastructure must at least
17 include a motor fuel blender pump which dispenses different
18 classifications of ethanol blended gasoline and allows E-85
19 gasoline to be dispensed at all times that the blender pump is
20 operating.

21 EXPLANATION

22 The inclusion of this explanation does not constitute agreement with
23 the explanation's substance by the members of the general assembly.

24 BILL'S PROVISIONS. The bill expands the renewable fuel
25 infrastructure program for retail motor fuel sites (program)
26 by providing that state moneys may be used to finance
27 infrastructure associated with storing and dispensing ethanol
28 blended gasoline classified as E-15. The bill provides that
29 the infrastructure so financed must always be used to store and
30 dispense E-15 and during nonsummer months (from September 16 to
31 May 31) it must be designated as a registered fuel recognized
32 by the United States environmental protection agency (EPA) to
33 operate 2001 and newer model year passenger vehicles.

34 BACKGROUND — STANDARDS. Motor fuel classified as
35 reformulated gasoline and associated fuel additives produced

1 and commercially distributed to operate highway motor vehicles
2 must be registered with the EPA (40 C.F.R. ch. I, pt. 79). E-15
3 is available to power certain later model passenger vehicles
4 pursuant to waivers granted by the EPA. However, the EPA
5 prohibits the use of E-15 to power those vehicles when it is
6 regulated as a registered fuel during summer months because it
7 does not meet volatility standards referred to as Reid vapor
8 pressure limits. General state standards for ethanol blended
9 gasoline are set forth in Iowa Code section 214A.2. Ethanol
10 blended gasoline is designated E-xx where "xx" is the volume
11 percent of ethanol in the ethanol blended gasoline.

12 BACKGROUND — PROGRAM. The program is currently used to
13 provide cost-share financing to retail dealers of motor fuel
14 to pay for costs associated with installing, replacing, or
15 converting infrastructure used to store, blend, or dispense
16 renewable fuel, including ethanol blended gasoline such as
17 E-85 (Code section 159A.14). The program is supported by
18 moneys available in the renewable fuel infrastructure fund
19 (Code section 159A.16) as administered by the department
20 of agriculture and land stewardship, the renewable fuel
21 infrastructure board (Iowa Code section 159A.13), and the Iowa
22 comprehensive petroleum underground storage tank fund board
23 (Iowa Code section 455G.4).